



ArtPATHS-Economics of Art

An empirical analysis of the “death effect” on art prices

by I. Liakopoulou

© I. Liakopoulou, 2018

www.artpaths.jimdo.com

An empirical analysis of the “death effect” on art prices

by I.Liakopoulou

Abstract: The present work is concentrated on the analysis of death effect on art prices. This effect appear to be when an artist dies. Art dealers attempt to convince consumers that it is justified to mark up the artwork of recently deceased artists. The present work employs hedonic price regressions and makes use of a dataset which exceeds the sample size of traditional studies by an order of magnitude, thereby shedding a light on previous investigations of art price formation.

Key words: death effect, hedonic price regression, price formation, monopolistic competition.